

18 January 2008

**RECEIVERS' INTERIM REPORT ON THE STATE OF AFFAIRS OF
TUATARA JEWELLERY LIMITED (IN RECEIVERSHIP)**

**PURSUANT TO SECTION 24 OF THE
RECEIVERSHIPS ACT 1993**

COMPANY NUMBER 693044

INTRODUCTION

Kevin David Pitfield and Gareth Russel Hoole were appointed joint Receivers of Tuatara Jewellery Limited (In Receivership) ("the company") by Morris and Watson Limited, on 21 March 2006 under the powers contained within a General Security Agreement dated 15 July 2005.

This report has been prepared by the Receivers in accordance with and for the purpose of Section 24 of the Receiverships Act 1993.

RESTRICTIONS AND DISCLAIMERS

The report is prepared for the sole purpose of reporting on the state of affairs with respect to the property in Receivership and the conduct of the Receivership.

In compiling this report the Receivers have relied on the accuracy of all relevant information provided by the management of the company. Whilst all care and attention has been taken in compiling this report, the Receivers, Staples Rodway Limited, its employees and its agents do not accept any liability whatsoever arising from this report, nor for any other reason.

This report is not intended for general circulation and all information contained in it is for the confidential use of the parties to whom it is provided in accordance with Sections 26 and 27 of the Receiverships Act 1993. This report is not to be disseminated or passed on to any other person without the Receivers' prior written authority or as may be required by law.

The Receivers reserve the right (but will be under no obligation) to review the contents of this report and, if considered necessary, to revise the report in light of any information which becomes known to the Receivers at a subsequent date.

EVENTS SINCE THE LAST REPORT

Since their last report dated 12 December 2006 the Receivers have negotiated a settlement with the director/shareholder of the company pursuant to which the repayment of their overdrawn current account will be made over a period of time.

To date some payments have been made by the director/shareholder in respect of the aforementioned indebtedness. The receivers will continue to monitor the situation and will resort to recovery proceedings if necessary.

PREFERENTIAL CREDITORS

After the deduction of Receivers' fees from the realisations of cash at bank, accounts receivable and inventory held at the date of appointment, realisations of approximately \$68,000 have been made available and distributed to Morris & Watson Limited the first ranked priority creditor secured via its purchase money security interest.

UNSECURED CREDITORS

The company's accounting records show that there was approximately \$250,000 owed to unsecured creditors at 15 July 2005 being the date of appointment. The Receivers have not verified the amounts owing to unsecured creditors and insufficient funds have been realised to pay unsecured creditors.

STATEMENT OF REALISATION AND DISTRIBUTIONS IN RESPECT OF THE RECEIVERSHIP

Statement of Realisation and Distributions in respect of the liquidation.

The following realisations have been made:

Cash at Bank		20,577
Inventory		76,906
Receivables recovered		4,043
Inland Revenue		1,261
		<hr/> 102,787
Less Disbursements to:		
Receivers' Costs	32,498	
Morris & Watson Limited	<hr/> 68,000	
		100,498
Funds Available for Distribution		<hr/> <hr/> \$2,289

PARTICULARS OF ASSETS AND LIABILITIES

There is no remaining property available to the Receivers for disposal, with the exception of the amount to be collected from the Company's director as referred to herein.

Dated this 18th day of January 2008.



Gareth Russel Hoole
RECEIVER